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JPRS 81523

12 August 1982



# China Report

ECONOMIC AFFAIRS

No. 256

19980902 069

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## ECONOMIC MANAGEMENT

### INVESTMENT TO UPGRADE EXISTING ENTERPRISES HAS POOR RESULTS

Yinchuan NINGXIA RIBAO in Chinese 1 May 82 p 2

[Article by Ma Zhilin [7456 2535 2651]: "Great Importance Should Be Attached to the Result of Investment in the Projects of Tapping Potential and Carrying Out Equipment Renovation and Technical Transformation"]

[Text] Since 1978, this region has set aside some funds to be selectively used on tapping potential and carrying out equipment renovation and technical transformation among some enterprises. As shown by the present conditions, the use of these funds has not produced the desired effect in tapping the potential of the many far-flung enterprises in view of the poor investment returns. This situation is largely attributed to the following problems:

Poor investment returns. In 1981, a sum of 12.17 million yuan was earmarked for tapping potential according to centralized state allocation. Out of this sum, 10.87 million yuan was invested in 27 projects, each costing more than 100,000 yuan, and all these projects were to be completed in the same year. By the end of that year, however, only the projects for the Yinchuan Sugar Refinery, the Yinchuan Chemical Industry Plant and the Qingtongxia Aluminum Plant were basically completed, and only 2.2 million yuan, or 18 percent of the total investment was used. [Figures as published]

The ever increasing number of under-construction projects. A total of 62 unfinished 1980 potential tapping projects were carried over to 1981 along with an amount of 12.93 million yuan, being 106 percent of the total investment for the same purpose in 1981, and the scope of construction continued to expand. In 1978, for instance, the state granted a subsidy of 250,000 yuan to the Yinchuan Crane Plant for potential tapping, but 240,000 yuan out of this amount was diverted to production. The potential tapping projects for 1979 and 1980 have still not been completed.

No increase in either production or revenue. This is a very common problem in potential tapping projects. The Yinchuan Rubber Plant, for example, now has a productive capacity for 300,000 sets of tires, and requires only a few months to complete the production task assigned by the state for the whole year. In 1980 and 1981, however, the relevant department again arranged for this plant to further tap its potential in order to expand its productive capacity. Again, in 1980, the Yinchuan Chemical Industry Plant began to tap its potential with a view to increasing its productive capacity for detergent

powder from 2,500 tons to 5,000 tons. However, because of poor sales, the actual output of detergent powder was reduced from 3,458 tons in 1979 to 1,263 tons in 1981. In 1980, that plant made a profit of 7,600 yuan; but in 1981, it incurred a loss of 438,600 yuan.

Lack of planning for key projects. As shown by the allocation of funds for potential tapping in 1981, the principle of priority for energy, transportation, building materials and the light and textile industries was not followed. These funds were simply equally divided among all trades and undertakings. For example, a newly completed plant, which had not been formally commissioned, had to use the funds for building a new workshop. Such practice caused a serious shortage of "three materials" and construction force.

To really accomplish the projects of tapping potential and carrying out equipment renovation and technical transformation, and to improve the economic results, we should carefully attend to the following aspects of our work:

(1) We should have an overall planning and use the investment selectively. A comprehensive investigation should be carried out on the industrial and transportation enterprises so that their short-range plans during the Sixth 5-Year Plan and their long-range plans for the Seventh 5-Year Plan can be worked out. We must strive for a coordination between the plans for the current year and the long-range plans, and between the transformation of the entire trade and the transformation of the key enterprises. The planning, material supply, and banking and finance departments and the departments in charge of the enterprises should be invited to participate in the formulation of these plans. The funds in the hands of the state and the bureaus in charge for equipment renovation and technical transformation, the funds retained by various enterprises for the same purposes, and the bank loans to be used for potential tapping, equipment renovation and technical transformation by the existing enterprises should all be included in a unified plan and an overall arrangement, to be used on the selected key projects.

(2) We should carry out feasibility study. It is suggested that beginning in 1982, the departments concerned should first work out a preliminary plan for potential tapping, equipment renovation and technical transformation in the following year and then hand it over to the construction bank in charge of the allocation of funds so that a feasibility study can be carried out by the bank in collaboration with the enterprise's department in charge. Based on the bank's feasibility study, the planning department will select those projects promising good economic results to be assigned to formally the lower levels.

(3) Priority for the supply of the "three materials" and the construction force should be given to projects of potential tapping, equipment renovation and technical transformation, and there must not be any dislocation in the supply. We should maintain a balance in the supply of materials and manpower between these and the other capital construction projects. As to the order of priorities, we should first meet the requirements of the key capital construction projects and the large and medium-size capital construction projects and then the requirements of potential tapping, equipment renovation and technical transformation among the existing enterprises, with the remaining resources to be used for ordinary capital construction projects.

(4) The funds for potential tapping, equipment renovation and technical transformation should be used under a system of economic responsibility. To ensure the completion of these projects according to plan, it is suggested that the system of economic responsibility for the use of these funds be set up in the form of a network in which there should be both vertical and horizontal relations. The horizontal relation is between the enterprise carrying out potential tapping, equipment renovation and technical transformation and the enterprise undertaking these construction jobs, the units responsible for the design, and the departments responsible for the supply of materials; and takes the form of signed contracts, guaranteeing the quality of work and the delivery dates. If the units providing the services complete their jobs according to the contract terms, the enterprise receiving these services should offer some rewards. The vertical relation takes the form of a signed contract between the enterprise carrying out potential tapping, equipment renovation and technical transformation and its department in charge. The enterprise undertakes to produce the results as planned in the approved feasibility study report; otherwise deductions can be made from the enterprise's development funds, depreciation funds and major repair funds to make up for the funds spent on the enterprise's potential tapping, equipment renovation and technical transformation. Inside the enterprise, the section specifically responsible for potential tapping, equipment renovation and technical transformation can also sign contracts with the plant management committee. If the jobs are completed on schedule, there will be rewards; otherwise, there will be penalties.

9411

CSO: 4006/467

## ECONOMIC MANAGEMENT

### PROBLEMS IN IMPROVING SOCIAL ECONOMIC RESULTS LISTED

Beijing ZHONGGUO CAIMAO BAO in Chinese 25 May 82 p 3

[Article by Liu Mingfu [0491 2494 1133]: "Conduct a Meticulous Analysis, Prescribe Treatment According to the Diagnosis--A Preliminary Study on the Improvement of Social Economic Results"]

[Excerpts] Some units have all along been "producing in an over-simplified way." Their equipment is incomplete or of poor quality, and their technology is unsatisfactory. They should be upgraded through equipment renovation and technical transformation.

Some units are in no condition to survive, since they were short sightedly started. They should be closed, suspended, merged or retooled for other lines of production, even at a sacrifice.

Some units are duplicated and can never operate at full capacity. They too should be closed, suspended, merged or retooled.

Some units have always designed their products without keeping in touch with market conditions and can hardly sell their goods. Instead of designing behind closed doors, they should broaden their visions, update their designs and find ways to promote sales.

Some units have chosen the use of very backward equipment and technology. Their equipment and technology should be promptly eliminated or upgraded.

Some units are using outdated and obsolete equipment and technology. In this case, equipment renovation and technical transformation are necessary.

In designing and business operation, some units do not attach any importance to the need of tools, instruments and meters for accurate measurement. They should make up this deficiency in a planned way.

Some units always tend to be lax and careless. They pay no attention to the financial system, to cost accounting, to the turnover of funds, to the proper procedures of receiving and issuing materials, and to the first-hand records in the workshops. These irregularities must be quickly corrected.

Some units do not have any system of economic responsibility and are unfair in their rewards or punishments. There must be improvement in these respects.

Some units do not have any system of economic contracts, or do not follow it properly. The system of reward and punishment is also unsatisfactory. All these systems should be set up and strengthened.

The finance and accounting personnel of some units are already old and need successors. The need for training of journeymen is urgent and the practice of respecting tutors and cherishing students should be fostered.

Some units have indiscriminately included various expenses in the production cost. In this case, the system of cost accounting and other financial system should be perfected. Furthermore, the rights of the finance and accounting personnel should be protected by law.

Some units have paid bonuses indiscriminately. Their workers and staff members should be taught to bear the overall situation in mind, and at the same time the system of bonuses should be readjusted.

Some leading cadres have been careless in their work. To remedy this situation, the "three honests and four stricts" should be fostered.

Some leading cadres are arrogant and conservative. For them, the practice of "comparing, learning, catching-up, helping and surpassing" should be encouraged.

Some leading cadres are incompetent. In this case, the leading organs should carry out timely readjustment of the leadership force and also step up the study program for cadres remaining in their posts.

Some workers are not technically proficient. For them, technical training should be carefully attended to.

Some units have excessive personnel. Besides designating fixed numbers of personnel for certain jobs, more avenues should be opened for production so that the excessive personnel can be accommodated.

Some workers lack enthusiasm in their work. In addition to receiving ideological education, they should be helped to solve their problems to the maximum extent.

Some units lack a system of thorough inspection. For them, a system of mutual visits, mutual inspections, mutual teaching and mutual learning should be instituted.

Some units are poor in comprehensive utilization; others are poor in specialization and coordination; still others have high energy consumption; and finally, there are those with high consumption of raw and semifinished materials. These problems should be carefully solved through potential tapping, equipment renovation and technical transformation.

Some units have overstocked goods. After due disposition of these goods, we should have the determination to gradually solve this problem under leadership.

Some problems have been brought about by the excessive allotment of quotas. They should be handled by the leading organs and then carefully solved.

Some problems have been caused by graft, embezzlement, or swindling. Such cases must be settled. Besides demanding restitutions, we should draw our lessons from these experiences.

Some problems have been caused by the lack of transportation facilities. They should be solved by the improvement of transportation service.

Some problems have been caused by irrational taxation. In these cases, tax levies should be readjusted by the leadership and irrational prices should be properly controlled and readjusted.

The product mix of some units is irrational. It should be readjusted within the limits of possibility.

Some units do not receive sufficient support from the coordinating units. In this case, there should be closer coordination.

The problems of some units have been caused by the procrastination and irresponsibility on the part of the higher levels. It is necessary for the higher leading organs to cultivate the socialist spiritual civilization of serving the people and being responsible to the people.

Some units are short of certain equipment and materials while other units have stockpiles of them. Adjustments should be made by the relevant departments in a rational way.

Some units' problems are caused by wrong plannings and wrong policy decisions at the higher levels. In some units, these problems have been aggravated by the stress on speed regardless of economic results on the part of the higher authorities.

Some units are hamstrung by irrational systems of management.

Some units are restructured by the irrational system of pricing. Some are hampered by the irrational systems of taxation and fund control. Some are handicapped by the over-staffed organizations at various levels. The Party Central Committee and the State Council are now continuing their efforts to solve, or formulate plans for the gradual solution of, these six different types of problems.

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CSO: 4006/477



## ECONOMIC MANAGEMENT

### BRIEFS

NEI MONGGOL INDUSTRIAL CONSOLIDATION--Hohhot Municipality in Nei Monggol Autonomous Region scored great achievements in consolidating industrial enterprises. The first group of 27 state enterprises have been consolidated with successful results. In the first half of 1982, the output value, profits and tax revenues of the state enterprises increased by 11.27 percent, 38.3 percent and 23.3 percent respectively. The Hohhot No 2 paper mill showed a 10 percent increase in output value and output and the quality-product rate reached 100 percent. The consumption of coal in making each ton of paper was reduced 35 percent. [Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 19 Jul 82]

CSO: 4006/555

## FINANCE AND BANKING

### VIOLATIONS OF FINANCIAL LAW REVEALED AFTER AUDIT

Tianjin TIANJIN RIBAO in Chinese 10 May 82 p 1

[Article" "Conclusion of Self-Audit and Beginning of Repeat Audit of Enterprise Finance--More Than 12,000 Cases of Violations of Financial Law Brought to Light in the Municipality"]

[Text] A self-audit of enterprise finance in the municipality has concluded and a repeat audit has begun.

Self-auditing in the past 4 months and more has shown marked results. All enterprises in the municipality have strictly enforced the financial law and national revenues have increased. According to statistics released by the municipal auditing office responsible for auditing the accounts of enterprises, more than 12,600 cases of violations of financial law involving some 96,590,000 yuan were discovered by the end of March. Of this amount, some 26,150,000 yuan has been collected and returned to the state. At the same time, many enterprises have stepped up their control and improved their economic results. While conducting their own audit, the enterprises discovered many problems as shown by the disorderly management of finance and the weaknesses of basic economic accounting. These problems have aroused the enterprises' vigilance. Many of them have adopted active measures to improve their management. In the course of a self-audit, the municipal transportation bureau and the municipal vegetable company noted the problems discovered and accordingly adopted measures to improve their management. Their economic results have been markedly improved. In the first quarter of this year, their profits handed over to the state increased by 113 percent and 43 percent respectively over the same period last year. The vegetable company even reduced its commodity circulation expenses by 2.92 percent. Law violations have decreased. In the past, there has been quite a spending spree at every year-end among the enterprises. The general audit of enterprise's finances happened to take place at the end of last year. Many enterprises scrupulously abided by the financial law, and there was a marked reduction of their lavish year-end spending and the indiscriminate payments of bonuses. Even some isolated cases of indiscriminate payment of bonuses or bonuses in kind by some units were checked in time. The auditing has also revealed 182 cases of graft, bribery, theft of state property, and other law violations, and provided important clues for crackdowns on economic crimes.

The municipality has begun a repeat audit, beginning today and lasting up to the end of June. This time, attention will be paid to those enterprises

whose profits turned over to the state did not match with their production or volume of business and whose management is chaotic and leaves loopholes. Continued efforts will be made to ascertain if there has been any practice of withholding the profits which should have been turned over to the state, inflating production costs, or other illegal acts in processing imported materials and undertaking contract projects abroad.

During the repeat audit, the municipal people's government will still allow the enterprises to conduct their self-audits and to report violations of financial law. All profits to be handed over to the state must be duly handed over so that they can be included in the total profits for 1982. The municipal people's government has also decided that those enterprises which report problems of their own volition will be allowed to share the profits or to appropriate enterprise funds according to regulations. If the problems of the enterprises are discovered by their departments in charge, these departments in charge can share the profits according to regulations, but the enterprises concerned will not be allowed to share any profits or to appropriate any enterprise funds. If the problems of the enterprises are discovered by the finance and tax departments, then neither the enterprises nor their departments in charge can share the profits or appropriate any enterprise funds.

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CSO: 4006/467

## FINANCE AND BANKING

### NEED FOR STRENGTHENING CASH CONTROL STRESSED

Beijing ZHONGGUO JINRONG [CHINA'S BANKING] in Chinese No 10, 19 May 82 pp 6-7

[Article by Liang Zuozhou [2733 0155 5297]: "The Necessity and Urgency of Strengthening Cash Control at Present"]

[Text] Experiences of more than 30 years have proved that cash control is an indispensable part of the system of socialist economic management. However, such control has been rather lax in certain regions in recent years. Some comrades are of the opinion that since economic methods are used in economic management and stress is laid on the observance of economic laws, cash control is no longer a necessity. Others even feel that cash control should be abolished since it restricts economic development. The banks in some localities have stressed one-sidedly the adoption of flexible policies and relaxed their efforts in controlling and checking up on cash. They simply pay out any amount of cash with no question asked. If these erroneous ideas and methods are not corrected in time, there will be adverse effects on the stability of currency and prices, as well as the entire program of socialist production and construction.

#### The Necessity of Strengthening Cash Control

There is an objective necessity for enforcing the system of cash control in our country for the following reasons:

First, ours is a socialist country upholding the principle of ensuring that a planned economy plays the primary role and regulation by the market plays a supplementary role. The right to issue currency must therefore be exclusively in the hand of the central government. The amount of currency to be issued by the state must be guided by state planning, and cash control is precisely the effective measure to ensure that the right of issuing currency is exclusively undertaken by the central government.

Second, cash control is also an effective method of regularizing and restricting cash payments in the attack on illegal activities in the economic sphere. In the past 3 years, as a result of a tight cash control in Mudanjiang Municipality, we have stopped more than 700 cash payments totaling some 3 million yuan and including indiscriminate payments of bonuses totaling more than 800,000 yuan.

Third, cash control is the main way to control wage and bonus payments as well as the conversion of credit into cash payments. If cash control is relaxed, the control of wages and bonuses will be futile, because the payment of wages and bonuses requires the use of cash, and credit payment can always be changed into cash payment.

Fourth, cash control is also an effective means for the banks to collect the idle funds in society. By strengthening cash control, the banks can pool the funds scattered among various enterprises and use them on national construction. This is an important means for the accumulation of wealth.

#### The Urgency of Strengthening Cash Control

From what has been mentioned, we can see the importance of cash control. Even now, the urgent need to strengthen cash control can be shown as follows: First, there is an excessive amount of paper money on the market and an urgent need to bring it under control, and cash control is an effective way to control currency issuance. As far as the banks are concerned, control of currency issuance is only the control of credit and various unjustifiable payments (including payments of wages and bonuses). In Mudanjiang Municipality, for example, during the past 3 years, the rate of progressive increase each year was 28.4 percent for administrative expenses, 19.8 percent for wages and bonuses, and 31.7 percent for government payments to individuals and other expenses, while the progressive increase in industrial output value was only 5.6 percent and government revenues even dropped. Lax cash control was one of the important causes of this situation.

Second, we must strengthen cash control in order to consolidate finance and economic disciplines. The large number of economic crimes at present are mostly the result of lax cash control. According to information supplied by the Industry and Commerce Administration Bureau, nearly all the major crimes were committed through repeated transfers from one account to another in different banks until a weak link could be found for the withdrawal of each. If the banks can be strict in handling these transactions, they can play an important role in cracking down on economic crimes.

Third, there is an urgent need to strengthen cash control in order to control unjustifiable expenses. In Mudanjiang Municipality, for example, bonus payments have increased by a wide margin each year, and the increase in cash withdrawals by individuals has been even more appalling. In 1981, the payments of cash exceeded 25 million yuan and more than doubled that of 1980. Some units have paid their workers and staff members in kind. Although they distributed laundry machines, various kinds of nonstaple foodstuffs and cloth instead of paying cash to their employees, they have nevertheless added to the government's expenses. Therefore, cash control must be strengthened.

Fourth, there is an urgent need to strengthen cash control in order to accumulate more funds. At present, there are excessive cash holdings at various departments and units in various links. According to an estimate after investigation, a total of 1.5 million yuan is being kept in the safes of various

groups in the municipality, in addition to the various types of cash funds not included in the regular accounts. All this cash can be pooled through cash control.

### The Need for Cash Control for Specific Purposes

Cash control should be carried for different purposes and with different methods in different historical periods and under different economic conditions. Under existing conditions, I think we should carefully handle the following relationships before cash control can be strengthened.

(1) The relationship between observance of economic laws and upholding the cash control system. Since ours is a socialist country upholding the principle of ensuring that the planned economy plays the primary role and regulation by market plays a supplementary role, the right of currency issuance must be exclusively in the hand of the central government. This principle must be firmly upheld before our national economy can rest on a solid foundation and our currency can circulate normally. Only thus can we act according to economic laws. Cash control is precisely the effective means to meet such a requirement and to follow the economic laws. There should be no contradiction between cash control and the observance of economic laws.

(2) The relationship between revitalizing the economy and strengthening cash control. It is only correct that the economy should be revitalized, but this does not mean that rules and regulations are no longer necessary. On the contrary, upholding a suitable system for our economic development, including a system of cash control, will help us bring about an enlivened, and orderly, economy. Just imagine, why should cash be withdrawn when accounts can be settled through transfers? Why can't we enforce a strict control to prevent cash movements that are in violation of economic policies? Can it be argued that such enforcement will affect or handicap economic growth? Obviously not. We must be strict if strictness is called for, and be flexible if flexibility is required. This is the principle of cash control.

(3) The relationship between upholding principles and adopting flexible measures. No system, no matter how good it may be, can be universally applicable. While the readjustment of national economy and the restructuring of the economic system are going on, many new conditions and new problems have emerged in the spheres of production and circulation. Under such conditions, we must firmly uphold the basic principle of cash control, and, under these basic principles, we can adopt certain flexible methods in dealing with certain specific problems. For example, if a rural production team selling grain in the city needs money for purchasing certain means of production or for certain sundry expenses, it would be proper to let them have appropriate amounts of cash, and the local banks can act according to the circumstances.

(4) The relationship between regular cash control and certain special jobs on certain occasions. Cash control on special occasions must be coordinated with the central task, or the party's central task, so that the control can meet the special requirements. For example, the main purpose of cash control now is to combat the serious economic crimes. Of course, regular inspections in connection with cash control among various units are also necessary. If we will carry out at least one general inspection on all units every 6 months, we will be able to achieve good results.

## FINANCE AND BANKING

### BRIEFS

SHANDONG SAVINGS DEPOSITS--In the first half of 1982, Shandong Province's urban savings deposits increased by 200 million yuan which accounts for 30 percent of the total source of income of the People's Banks in the province. [Jinan Shandong Provincial Service in Mandarin 2300 GMT 11 Jul 82]

HEILONGJIANG SAVINGS DEPOSITS--From January to June this year, the savings deposits of urban and rural population throughout Heilongjiang Province increased 283 million yuan, an increase of 25.4 percent over the corresponding 1981 period. As of the end of June, savings deposits totalled 2.04 billion yuan. [Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 9 Jul 82]

HEILONGJIANG TAX REVENUE--Heilongjiang Provincial Government recently issued a circular giving awards to 71 municipalities and counties, including Harbin, Daqing, Jiamusi, Mudanjiang, Qiqihar and Acheng, which fulfilled the semiannual tax revenue plan. In the first 6 months of 1982, the province overfulfilled tax revenue by 61 million yuan, an increase of 102 million yuan over the figure of the corresponding 1981 period. [Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 13 Jul 82]

JILIN SAVINGS DEPOSITS--Jilin Province's urban savings deposits increased 150 million yuan in the first half of 1982. The total balance of the province's urban savings deposits have come to 1.197 million yuan, averaging 147.3 yuan per urban resident. [Changchun Jilin Provincial Service in Mandarin 1100 GMT 11 Jul 82]

HUNAN REVENUE--Revenue from industrial and commercial tax in the first half of the year in Hunan was 1.1212 billion yuan, representing 54.9 percent of the year's plan, and an increase of 160 million yuan over the same period last year. [Changsha Hunan Provincial Service in Mandarin 2310 GMT 8 Jul 82]

XINJIANG REVENUE--Xinjiang fulfilled 53.7 percent of the year's revenue plan in the first half of the year, showing an increase of 11.6 percent over the same period last year. The Regional CCP Committee Standing Committee has held numerous discussions on finance work and put forward specific demands and measures for doing it well. These have been implemented well. The economic departments have paid attention to improving

economic returns and have launched financial inspections in enterprises. Profits in the region's industrial enterprises in the first 6 months of the year showed an increase of 94 percent over the same period last year. Tax and profit per 10,000 yuan of output value rose by 10.8 percent. [Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 16 Jul 82]

CURRENCY WITHDRAWALS--Beijing, 10 Jul (XINHUA)--In the first half of 1982, 4,385 million yuan of currency was withdrawn from circulation in China, according to the People's Bank of China. The withdrawal was 405 million yuan more than in the corresponding period of 1981. The increase in currency withdrawals was the result of an increase in commodity sales in China's urban and rural markets. At the end of June 1982, urban and rural savings deposits in China totaled 60,182 million yuan. [Beijing XINHUA Domestic Service in Chinese 1248 GMT 10 Jul 82]

NEI MONGGOL CURRENCY WITHDRAWAL--As of the end of June, Nei Monggol region's Ulanqab League had withdrawn 13.34 million yuan of currency from circulation, overfulfilling the semiannual target by 6.9 percent. In addition, the savings deposits of the league totalled 14.4 million yuan, one-fifth of the summation of those in the past 30 years. [SK132236 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 12 Jul 82]

QINGHAI CURRENCY WITHDRAWAL--In the first 6 months of this year, Qinghai Province had withdrawn 2.2 million yuan of currency from circulation, overfulfilling the plan. Meanwhile, the savings deposits of the urban and rural population increased 960,000 yuan over the corresponding 1981 period. [Xining Qinghai Provincial Service in Mandarin 2330 GMT 12 Jul 82]

GUANGDONG TAXATION MEETING--The Guangdong provincial meeting of tax bureau directors which concluded today put forth the central tasks of tax work in the future. The central tasks are that the province should attach importance to tax work and governments at all levels should strengthen leadership over it and support tax departments in doing their work well. The meeting pointed out that over the past few years, although the country was encountered with very great financial difficulties, our province has overfulfilled its quotas for tax collection for several consecutive years. This has played an important role in balancing revenue and expenditure. The meeting held that some units and departments have had a weak concept of the legal system, reduced and remitted taxes without authorization and even evaded taxes. This has affected prompt tax collection. The meeting decided that the province should further strengthen education in the legal system, attach importance to tax work, put tax organs on a sound basis and do well in tax collection. This meeting was held in Foshan Municipality from 25 June to 2 July. [HK090247 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 2 Jul 82]

GUANGXI STATE BONDS CONFERENCE--On the evening of 22 June, the Guangxi Regional State Bonds Sales Promotion Committee held a regional phone conference, demanding that all places strengthen leadership, organize forces to conduct universal publicity and quickly fulfill the regional



quota for the promotion of the sales and distribution of state bonds. Liao Shengdong, Regional People's Government vice chairman and chairman of the Regional State Bonds Sales Promotion Committee, attended and spoke. He pointed out that by the end of May, Nanning, Liuzhou, Wuzhou and Beihai municipalities, Tiandeng and He counties, the Hechi Prefectural CCP Committee, the organs of the prefectural Administrative Commissioner's Office and the majority of departments and bureaus of the region had fulfilled or overfulfilled their quotas for subscribing for state bonds. He called on people's governments at all levels to fulfill their quotas for subscriptions before the end of July. [HK301334 Nanning Guangxi Regional Service in Mandarin 1130 GMT 24 Jun 82]

CSO: 4006/554

## INDUSTRY

### RADAR CONTROL TECHNOLOGY EXCHANGE CONFERENCE HELD IN BEIJING

Beijing DIANZI XU BAO [ACTA ELECTRONICA SINICA] in Chinese No 3, 1982 p 78

[Article by Staff: "Radar Control Technology Exchange Conference Held in Beijing"]

[Text] The radar control technology exchange conference of the Special Radar Institute, Chinese Electronics Institute, was held in Beijing during 25-30 March 1982.

The academic [xuebu - refers to the academic area] committee member of the Academy of Sciences, Comrade Cai Jintao [5591 6855 3447], who is also the deputy director of the Chinese Electronics Institute and concurrently the committee chairman of its editorial committee, came to congratulate the conference and give a talk. Comrade Luo Peilin [5012 3099 7207], also an academic committee member of the Academy of Sciences and deputy secretary general of the Chinese Electronics Institute and concurrently the chairman of the institute's academic committee, also gave a talk at the conference. He pointed out that based on the actual conditions in our country and primarily through self-reliance, the full utilization of conditions abroad to develop our country's science and technology is the correct road to follow.

The conference was handled by Comrade Zhang Zhiyang [1728 1807 5391], deputy committee chairman of the Special Radar Institute. He pointed out that through more than a year's preparation 68 papers were selected for conference exchange. They are largely a unification of theories and practices and are summarized from scientific research and production practices. They reflect the spirit of paying attention to applied research, solving actual problems, and pushing forward economic development, while strengthening basic research at the same time.

Conference representatives fully utilized the opportunity with professional colleagues gathered in one hall and actively exchanged, with initiative, individual understandings and practical experiences. They were able not only to listen and accept the opinions of others with humility but also to sincerely point out certain weaknesses and gaps in the other's papers. Whether it was during the conference or at small meetings and regardless of levels and positions and regardless of age, they were able to speak freely and treat each other equally. They all felt that this type of learning style of seeking the truth from the facts is worth continued development.

## INDUSTRY

### COOPERATION HELPS RESEARCH SERVE PRODUCTION, CONSTRUCTION

Beijing KEYAN GUANLI [SCIENCE RESEARCH MANAGEMENT] in Chinese No 1, Jan 82 pp 36-37

[Article by Chin Chunhua [6855 2504 5478] and Gao Hongshu [7559 7703 2579], correspondents of New China News Agency stationed in Dalian: "Make Scientific Research Serve Production and Construction Better by Taking the Road of Cooperation"--A Survey of the Dalian Research and Production Coalition in Textile Printing and Dyeing]

[Text] While keeping ownership and jurisdiction relationships unchanged, Dalian Municipality organized the local research institutes, institutes of higher learning, and plants and enterprises related to the production technology of textile printing and dyeing and formed a coalition in textile printing and dyeing. After a 3-month effort, they are beginning to see results. In 1981 the coalition initiated 14 research projects on the color, variety and quality of textile products and today they have achieved results on 9 projects, some of them have been put into mass production.

The formation of the Dalian textile printing and dyeing coalition has gone through a developing process. Since 1979 the science committee of the Dalian Municipality has been asking the following questions: How to combine research and production more closely while the current economic management system is still unchanged? And how to make a greater development in economy? As they became more experienced in practice, they have increasingly realized the inseparable internal relationship among research institutes, institutes of higher learning and plants, and that the effective way in economic development is to organize these units and let each develop its advantages. In 1980, together with the municipal economic committee, they conducted a large-scale investigative study of all the industrial bureaus, research institutes and institutes of higher learning in Dalian and comprehensively surveyed the production and technology needs of plants and the research ability of research institutes and institutes of higher learning. After repeated selection and screening, they finally settled on some 90 urgent and solvable problems and assigned them respectively to various research institutes and colleges. By the end of 1980, almost 100 research contracts were signed and work got rapidly underway and some projects have already produced results. Based on this experience, they felt the need for a larger and broader united organization in the promotion of economic development. In their investigation they noticed that professions serving the printing and dyeing of textiles were well established, technologically sound and had the condition for a coalition. After some careful planning, the Dalian textile printing and dyeing coalition came into existence in May, 1981.

Participants of this coalition include the municipal textile bureau, chemical industry bureau, Dalian printing and dyeing mill, Dalian printing and dyeing mill No 2, knitted goods mill, cotton textile mill, textile mill, Wafangdian textile mill, dyestuffs plant, chemical industry experimental plant, Tongde chemical plant, Dalian institute of synthetic fiber, institute of light chemical industry, institute of textile and Liaoning institute of chemical industry, a total of 15 units. The main task is centered on the study of production technology to improve the color, variety and quality. The plants should provide a priority experimental facility for new products, new technique, new technology and new equipment of the research units and the research units should give key technical problems of the plants high priority for development research.

Judging from the experience of the last 3 months, although the form of this coalition has just been established, the following advantages have already manifested themselves:

- 1) It has broken down the boundary of departments, promoted communication in research, and made use of various channels in promoting production development. In the past because various departments are under the jurisdiction of different systems of leadership the collaboration between departments has been somewhat restricted. Now that a coalition is formed, all the economic interests are tied together and the potential for research and production is greatly developed. A key production problem of the textile printing and dyeing industry is the "one bath method" in producing the modified dacron twin color cross knit product, and it is also a major project of the research institutes. The progress of previous studies of this project has been slow because of the diffuseness of the resources. After the formation of the coalition, and based on the work of various units in the last few years, the Dalian institute of synthetic fiber switched to work on modified dacron, while the institute of textile, Dalian textile mill, and Wafangdian textile mill worked on pattern weaving, Dalian printing and dyeing mill worked on dyeing and Dalian dyestuffs plant provided dyestuff. Each unit has its specific goal and responsibility and collaborates with other units. The progress is greatly accelerated by studying and solving problems together. Now they already have bright, colorful and aesthetic samples from small-scale production. The products were further improved in application and tests and before long they will be mass produced and put on the market to satisfy the needs of the public.
- 2) It promotes the development of research and production by joining the two tightly together. A few years ago the institute of synthetic fibers developed an organic silicon treatment agent which softens dacron and increases its lustur. But difficulties were encountered in test production and the experiment was conducted again and again without producing any data. After the formation of the coalition, Dalian Wafangdian textile mill assumed the responsibility for conducting production tests. The Wafangdian textile mill actively supported the project and worked as hard as on their production assignment. By conducting production, test, and improvement at the same time, they have overcome the difficulties and made great progress on this project. It is now in mass production and has further improved the quality of dacron products. The KB resin developed by Dalian institute of light chemical industry is also a post-processing

agent which gives medium and long fiber stiffness, and a good touch, and it is also an effective detergent. After the coalition, everybody has been in touch with others to understand the progress and actively carry out test production. This product is now used in large quantities and the proliferation of the research result of the light chemical industry institute has also solved the production needs of various mills in Dalian and thereby combined research and production even more closely.

3) It is helpful to develop the advantages and move deeper and farther into research and production. The Dalian institute of synthetic fiber is an established research institute where technical personnel, equipment, and technological force are relatively concentrated. One year ago they developed a new variety of colored fiber, a good material for producing polyester fabrics. This research result was not properly deployed in the past. Since the beginning of summer, the sales of polyester fabrics in Dalian have gone up greatly and the supply can not meet the demand on the market. At this point the Dalian textile mill and the Dalian institute of synthetic fiber in the coalition shared the duty and actively sought solutions. The synthetic fiber institute provided the Dalian textile mill with the color fiber they have developed and the latter enthusiastically organized production tests. After they worked together and obtained satisfactory results, the synthetic fiber institute then freed up a production line in their own test shop and produced 3.9 tons of colored fiber and met the polyester production needs of the Dalian textile mill just in time. They have since signed a supply and demand contract and broadened the scope of their cooperation.

4) It explores new avenues for the economic system change. The coalition is a loosely formed organization under the present system and jurisdiction relationship. It is joined together by the needs in research and production and by a common economic interest. As the economy continues to develop, there will be a need for an even more closely related research and production and a mode of production that goes with this close collaboration. The coalition is exactly the form of organization needed in this transitional period. Via the internal relations between the departments, the coalition combines research institutes, colleges and plants into an organic whole and strives for the same goal. It also allows practical experience to be constantly consolidated and improved and has found a new direction for future changes in the economic system.

At the present time the Dalian municipal science committee is on the one hand carefully consolidating and strengthening their experience and improving the textile printing and dyeing coalition to make it more perfect, on the other hand it is continuing its investigation and study and has begun to organize a coalition on foam rubber so that research may better serve the construction of the national economy.

There are also some problems in the Dalian textile printing and dyeing coalition. A number of issues must be solved through trial and error in the actual practice, such as the source of research project funding in the coalition, the sharing of economic benefits derived from research results, and the economic and administrative sanctions to be imposed on violators of contracts and the coalition charter. These problems have received the attention of the Dalian municipal science committee and the leadership of various plants and research institutes.

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CSO: 4008/106

## INDUSTRY

### Briefs

ROCK-BORING MACHINERY--The China Rock-Boring Machinery Pneumatic Tools Corporation, organized by the Shenyang Pneumatic Tools Plant, Tianshui Pneumatic Tools Plant, Xuanhua Pneumatic Machinery Plant, Nanjing Fighting [zhandaou] Machinery Plant, Yichun Pneumatic Tools Plant, and Tianshui Pneumatic Tools Research Institute, was established in Nanjing, the capital of Jiangsu Province, in the latter part of March this year. This is currently our country's only specialized corporation whose primary task is the production of rock-boring machinery pneumatic tools. This corporation produces primarily pneumatic, internal combustion, electric powered, and hydraulic pressure rock-boring machinery and various types of hand-held machinery tools. It can also accept orders for complete sets of machinery items related to mining, railway, national defense, agricultural water conservation, and earth and stone projects based on the needs of domestic and foreign consumers. It is also engaged in the research and manufacture of various non-standard rock-boring and pneumatic machines. During the founding conference, the corporation also staged a product exhibit and sales conference on major products produced by the plants under its jurisdiction. It was the first large scale exhibit and sales conference staged by our country's rock-boring machinery and pneumatic tools trades. During this conference, production and sales exchange, technical meetings, business inquiries, and business discussions were carried out between the corporation and the customers, which were greatly welcomed by the customers. [Text] [Luoyang KUANG SHAN JIXIE [MINING MACHINERY] in Chinese No 4, Apr 82 backcover] 5974

MINING MACHINERY STANDARDS COMMITTEE--The Mining Machinery Standards Examination Committee of the First Ministry of Machine-Building Industry was founded in Beijing in the early part of March 1982, during which the first national conference was also held. Participating in the conference were the State Bureau of Standards, the Bureau of Heavy Mining Machinery of the First Ministry of Machine-Building Industry, the Department of Science and Technology [Ke Ji Si], and the Standardization Research Institute of the First Ministry. Major discussions during the conference were on the "Regulations Governing the Mining Machinery Standards Examination Committee (Experimental Implementation)," "Regulations Governing the Mining Machinery Standards Examination Committee (Supplement)," and "Detailed Rules and Regulations of the Specialized Standards Examination Groups." These documents were also approved. Based on the 28 tasks that should be examined under the 1982 standardization plan and the special characteristics of mining machinery specializations, 14 special standards examination groups were formed and their respective committee members, chiefs, and

deputy chiefs were determined. The chiefs and deputy chiefs will develop member lists for the respective examination groups and the committee will send out letters of invitation. The conference asked that the various standards drafting units quickly report the standards progress [schedules] and examination plans to the respective research institutes so that the various examination groups could arrange their work accordingly. [Text] [Luoyang KUANG SHAN JIXIE [MINING MACHINERY] In Chinese No 4, Apr 82 backcover] 5974

CSO: 4013/104

## CONSTRUCTION

### IMPROVED HOUSING SITUATION IN JIANGSU PROVINCE REPORTED

Nanjing XINHUA RIBAO in Chinese 14 May 82 p 1

[Article by Wang Qiang [3769 1730]: "Emulation Campaign for Perfect Engineering in Full Swing on Both Sides of Zhangjiang River"]

[Text] The emulation campaign for perfect engineering in the building trade of the province is now in full swing on both sides of the Zhangjiang River. Since it was launched 3 years ago, a total of 2,320 engineering projects of fine quality and low production costs, requiring short construction periods, satisfactory to the users, and involving an area of more than 4 million square meters, have been completed. At the same time, a large number of well designed and fine quality prefabricated structures have emerged.

This campaign has already spread from state-run enterprises to collectively owned enterprises and from large collective enterprises to the building enterprises run by the townships and communes. When it started in 1979, only 32 enterprises in the province participated; now the number of participating enterprises has increased to 175 from all 11 municipalities and 7 prefectures, or approximately 70 percent of all enterprises and public agencies on the capital construction front of the province. The number of participants from Nanjing area now accounts for 98 percent of the total number.

The second indication of the intensification of the emulation is the development from single-item projects to multi-item ones including residential and industrial workshop compounds over wide areas. Last year, four building compounds were rated as perfect engineering jobs. Of the 73 houses and the 140,000 square meters of floor space for the Qingtan New Village, all undertaken by the Changzhou Building Industry Bureau, more than 73 percent were rated as perfect jobs. The 200,000 square meter job for the Qing Yang New Village, jointly undertaken by the Wushi Civil Engineering Company and the Wushi Civil Engineering Company for Civilian Projects, was rated as 75 percent perfect. The workers dormitory for the Nanhua Company with a total floorspace of 20,000 square meters, undertaken by the Hanjiang County Joint Construction and Installation Company, was rated 78 percent perfect.

Furthermore, the entire process from surveying, designing, building, installation, and manufacturing of prefabricated structures to the production of building materials has been organized into a "complete chain" which greatly added to the features of the emulation campaign. To conduct the campaign



with the "complete chain" as one of its features, Nanjing Municipality has organized various special trades to set up criteria for evaluation and for the acceptance check in the light of local conditions and on the basis of the six state criteria for perfect engineering. At present, seven criteria of evaluation and the methods of the acceptance check--namely, survey and design, construction, installation of water and electricity facilities, installation of industrial equipment, machinery operation, production of concrete frames, and urban construction--are being gradually introduced in various departments. This has promoted the development of the "complete chain" emulation and helped improve the quality of survey and design. In 1981, 114 surveying and designing jobs were of excellent quality. This emulation campaign has not only promoted the increase of brick, tile and cement production by a wide margin, but also provided favorable conditions for the construction units to achieve perfect engineering.

9411

CSO: 4006/467

## CONSTRUCTION

### RURAL HOUSING IN COUNTY IN SICHUAN VIEWED

Beijing JIANZHU [ARCHITECTURE] in Chinese No 3, 3 Mar 82 p 24

[Article by Liu Shouxi [0491 1108 0823]: "Survey of Rural Housing Construction in Dayi County, Sichuan"]

[Text] The implementation of rural economic policies has been accompanied by remarkable transformations in the appearance of the countryside. The number of family dwellings built by peasants is on the increase.

Last year we conducted a major survey of rural housing construction in Dayi County. The survey showed that among the broad masses of peasants there was a widespread and urgent need to "build housing now that there is sufficient food and clothing." According to on-the-spot surveys and statistics, this county has 30 communes, 3,470 production teams and 89,590 peasant households. In 1979 and 1980, 5,544 peasant households constructed dwellings of all types. The total area under construction amounted to 443,000 square meters. An average of 3 percent of all peasant households build new housing every year, most of which are brick and tile houses. This situation shows that the party's rural economic policies from the third plenary session are completely correct.

Dayi County consists of mountain areas, hills and plains. In 1980, the per capita distributed income was 114 yuan. As for the conditions of development, the yearly increase in the number of households has been accompanied by an upsurge in housing construction. Based on the current rate, it will probably take about 20 to 25 years to basically change the poverty and backwardness of the "thatched houses of adobe walls in which the pigsty functions as the kitchen and the commode is located at the bedside" which are the legacy of several thousand years of history. It will take this long to replace them with a new socialist countryside that is civilized and sanitary and that has a rational distribution of housing. This new countryside must integrate villages and small towns, be interspersed with trees, alternate between single level and multilevel dwellings, have thick foliage, have separate areas for people and livestock, and be equipped with water, electricity, methane gas as well as roads. Many problems were discovered in this survey of rural, housing construction in Dayi County. There are three major problem areas.

The first is that the dwellings take up too much cultivated land. At present, of the newly constructed rural dwellings, most take up a far greater area than earlier dwellings. According to the survey, throughout the county the per capita living space in the old dwellings was 10 to 12 square meters and the per capita base area of the residence was 60 to 70 square meters. However, in the new dwellings that are being built, per capita living space is 15 to 20 square meters and the per capita base area of the residence is as much as 80 to 90 square meters. In 1980, because the construction of housing reduced the amount of land available for cultivation to 6,000 mu, with a per mu grain yield of 800 jin, there will be an annual decrease of 4.8 million jin in the production of grain rations.

The second problem area is that buildings are dispersed. Traditionally, the peasants of Dayi County build homes where they farm so that their homes are scattered all around. In general, 10 to 20 households form a natural village. There are also those who live scattered in 3 or 5 households. There are rarely over 50 households living together. Because there is no unified planning, newly built dwellings are still constructed according to the traditional custom of solitary households and yards. Some have extended the building of houses to old forest sites, and others have arbitrarily chosen a spot in collectively cultivated land or in private plots to build houses, thereby seriously damaging agricultural production. This decentralization is detrimental to the future development of agricultural mechanization, and because of this there is no way to coordinate the improvement of rural living conditions. For example, it is difficult to plan and arrange for power and water supply, roads, drainage systems and public service facilities.

The third problem area is the poor quality and the poor technical and economic results. Because it is up to each household to raise funds for construction, to find building materials and land, as well as to find people to design and construct the dwelling, there is much waste and much money spent. Furthermore, the quality of work is poor. Each ton of cement costs 110 to 120 yuan and each cubic meter of lumber costs 300 to 400 yuan. In addition, it is difficult to purchase supplies, and one has to search all over. Most people rely on the assistance of private individuals in designing and construction. As a matter of form they do not accept cash payment, but actual expenditures still far exceed the fees charged by city workers. Not counting giving gifts to express appreciation, expenses for food and drink alone come to 2.5 to 3 yuan per person per day. For example, last year a cadre at Dunyi Commune built a four-room single-level brick and wood house which was 100 square meters in size. Besides utilizing some old materials, he had to spend an additional 2,000 or so yuan on new building materials. Because he requested help from others in designing, he had to provide over 1,000 jin of rice for them to eat. He spent over 1,000 yuan on tobacco, alcohol, tea, meat and vegetables. In all, he spent over 4,000 yuan. This method of self-initiated housing construction is a great burden to the peasants.

In order to change the self-initiated method of rural housing construction so that it fits in with the development of other rural undertakings, each department in charge at all levels must strengthen its leadership in rural housing construction.

First, it is necessary to comply with the objective laws of modern social and economic development and to strengthen the organizational administration of rural housing construction. It is also necessary to follow the principles of suiting measures to local conditions, overall planning, rational distribution, professional contracts, financing by commune members and private ownership. Problems in the construction of rural housing should be resolved in an organized and planned way. Moreover, it is necessary to comply with the directive concerning strict controls on the land used for construction.

Second, it is essential to resolve some of the practical difficulties encountered by peasants in housing construction. At present, the peasants face two major difficulties in housing construction. One is that it is difficult to find a solution for structural components that are subject to stress, particularly in building multilevel dwellings. The other is that the supply channels for steel materials and cement are blocked and there are too many management links. There are several important technical and economic measures that will simplify the process of rural housing construction costs, conserve lumber and protect forests. These measures are to strive to develop reinforcing bars and small and medium-sized prefabricated concrete structures that suit the needs of rural dwellings. It is also necessary to industrialize production, to commercialize supplies, and to coordinate production and marketing.

Once work in these two areas has been successfully completed, the construction of rural housing will develop in a more healthy way.

9864

CSO: 4006/421

## CONSTRUCTION

### BRIEFS

SHANDONG HOUSING CONSTRUCTION--In the first half of 1982, Shandong Province completed 814,000 square meters of housing projects for the staff and workers in the urban areas, an increase of 290,000 square meters over that of the corresponding 1981 period. Ten municipalities, including Jinan, Qingdao, Zibo, Zaozhuang, Yantai, Weihai, Weifang, and Jining completed 530,000 square meters of housing construction, an increase of 130,000 square meters over the corresponding 1981 figure. The statistics show that the construction quality was absolutely up to standard. [Jinan Shandong Provincial Service in Mandarin 2300 GMT 14 Jul 82]

PREFABRICATED HOUSING MATERIALS ENCOURAGED--Beijing, 8 Jul (XINHUA)--China is encouraging the use of prefabricated concrete roof beams, pillars and purlins in rural housing construction in an effort to save timber, the Central Building Materials Department said today. The prefabricated materials are produced in 24 Chinese provinces, municipalities and autonomous regions. In the first half of this year, 1.2 million cubic meters of concrete materials for building 900,000 rural houses were produced, saving two million cubic meters of timber. The country topped last year's semi-annual production of cement, plate glass and toilet ceramics by more than 12 percent, the department said. In the past few years, China has experienced a housing construction boom in the countryside under the policy of encouraging peasants to achieve prosperity through collective and individual labor. [Text] [Beijing XINHUA in English 1247 GMT 8 Jul 82]

CSO: 4020/151

## DOMESTIC TRADE

### BRIEFS

NEI MONGGOL BUSINESS BRISK--The urban and rural markets throughout Nei Monggol Autonomous Region enjoyed brisk business in the first half of 1982. The regional commodity purchasing value amounted to 1,260.83 million yuan, a 15 percent increase over the figure of the corresponding 1981 period. The industrial commodity procurement registered an 18.2 percent increase and the farm and sideline products procurement, a 7.3 percent increase. The regional total retail sales of commodities reached 2,278.58 million yuan, an 8.5 percent increase over the corresponding 1981 figure. By the end of June, the value of commodities kept in stock showed a 4.4 percent increase over the figure of the same 1981 period. [Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 18 Jul 82]

XINJIANG NATIONALITIES TRADE FLOURISHES--The state has implemented the policy of making allowances for nationalities trade in 50 counties in Xinjiang region. The state has also made allowances for the allocation of commodities and investment in small-scale construction projects so as to constantly develop nationalities trade in the region. In nationalities trade, the state has made allowances in three aspects, namely: Funds, retention of profits and the prices of commodities. In funds, the state has appropriated relatively more freely disposable funds to nationalities trade enterprises in these 50 counties and these funds account for 50 percent of the circulating funds of wholesale enterprises. In 1979, the state appropriated freely disposable funds of 8 million yuan to nationalities trade enterprises. In retention of profits, half of the total amount of profits of the nationalities trade enterprises in these 50 counties has been retained by the enterprises. The retention by nationalities trade enterprises throughout the region increased from 4.45 million yuan in 1978 to 13.7 million in 1981. All counties have used their own retention funds to set up a large network of commercial points and many warehouses and welfare facilities for workers. In prices, the state has implemented the protective policy of prices and fixed the lowest purchasing prices of agricultural and sideline products and the highest selling prices of industrial products. The state has given subsidies for the losses caused by the differences between the purchasing and selling prices. The state's subsidies in 1981 were 2.07 million yuan. Each year, the state supplies 30 taels of gold and 4,000 taels of silver to this region for the purpose of processing nationalities jewelry to supply the market. [HK090241 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 3 Jul 82]

NEI MONGGOL COMMODITY SUPPLY--In the first half of 1982, Nei Monggol region supplied means of subsistence valued at 318.75 million yuan to the rural and pastoral areas, an increase of 4.6 percent over the corresponding 1981 period. The supply of sewing machines increased 53.9 percent; wristwatches, 43.7 percent; bicycles, 8.6 percent; woollen fabric, 63.3 percent; and thermoses, 44.7 percent. Such a large supply of commodities to the rural and pastoral areas has been rare in 3 years. The supply of other commodities such as sugar, blend cotton cloth, wool fabric, washing powder, electric bulbs and televisions also increased as compared to that of 1981. [SK182359 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 15 Jul 82]

GUANGDONG MARKETS THRIVE--In the first half of this year, the supplies of commodities in urban and rural areas in Guangdong Province were relatively ample and buying and selling were brisk. The amount of retail commodities and currency withdrawn from circulation increased. From January to May this year, the amount of retail commodities was 17 percent more than in the corresponding period of last year. The supplies of daily-use industrial products, sugar, cigarettes, wine and refreshments have been relatively ample. Nonstaple foodstuffs, such as vegetables and pork, have come on the market relatively evenly. The amount of money withdrawn from circulation from January to May this year was some 1 billion yuan more than in the corresponding period of last year. [Guangzhou Guangdong Provincial Service in Mandarin 2350 GMT 6 Jul 82]

SHANDONG FINANCIAL SUBSIDIES--Since the third plenary session of the 11th CCP Central Committee, peasants across Shandong Province have received 6.4 billion yuan of profits--32 yuan for each peasant per year--from the increase of the state's purchasing prices for agricultural and sideline products and the state subsidies for agricultural-use oil and daily-use coal. Compared with the period 3 years ago, peasants now can exchange agricultural and sideline products for 21 percent more industrial products. Now the total index of purchasing prices for industrial and sideline products has increased 47 percent over 1979, providing the peasants 5.24 billion yuan. Meanwhile, the peasants have received 600 million yuan of subsidies for cooking coal. Prices for chemical fertilizer, pesticides and farm machinery have been stabilized basically. Charges for per-kwp electricity for agricultural use have been 2.5 fen cheaper than for industrial use. While supplying diesel oil to rural areas, the state has subsidized 125 yuan for each ton, providing the peasants 620 million yuan. [SK102256 Jinan Shandong Provincial Service in Mandarin 2300 GMT 9 Jul 82]

CSO: 4006/554

## FOREIGN TRADE

### USE OF FOREIGN FUNDS TO IMPORT TECHNOLOGY DISCUSSED

Tianjin TIANJIN RIBAO in Chinese 18 May 82 p 3

[Article by Yang Haitian [2254 3189 3944]: "Symposium on Use of Foreign Funds To Import Technology Briefly Introduced"]

[Text] Recently, the municipal economics association and the international trade association jointly held a symposium on the use of foreign funds for importing technology. More than 50 persons from the relevant departments in charge, the economics teaching and research department and the functional departments attended the meeting, in which the following questions were discussed:

#### 1. The Strategic Significance of Using Foreign Funds to Import Technology

It was unanimously agreed that the use of foreign funds to import technology is an important strategic measure to accelerate the four modernizations rather than a temporary expedient. The participants expressed the following views: (1) It is a consistent Marxist thought to actively absorb foreign funds and technology in the course of socialist construction. After the victory of the October Revolution, Lenin personally worked out the concession policy and kept himself informed of the concession negotiations. Comrade Mao Zedong also clearly pointed out in the Second Plenary Session of the Seventh Party Central Committee that after its seizure of political power, the proletariat should be ready and should learn to do business with capitalist countries. (2) After World War II, the economy in every country became internationalized, and the direct transfer of the factors of productions in the world, such as funds, technology, labor and equipment is replacing the exchange of commodities in the ordinary way. Strengthening economic cooperation on an international scale has become the inevitable trend of economic and social developments in all countries. (3) One important problem in our four modernizations program at present is the lack of funds, and the use of foreign funds to import technology is an important way to accelerate our four modernizations. (4) Our municipality has quite a complete range of industrial departments, a strong technical force, and good transportation facilities. The use of foreign funds to import technology will enable Tianjin to play a greater role as a coastal city. This is of great significance to the development of the national economy.



## 2. The Orientation of Foreign Funds Utilization

Different opinions were voiced at the meeting on the orientation of foreign funds utilization in Tianjin. Some comrades felt that for more than 3 years, the municipality has all along used foreign funds mainly on light and textile industries, and that practice has proved this to be correct. These undertakings generally require short construction periods, and their products have great foreign exchange earning power. Therefore, in addition to ensuring a balance of receipts and payments in foreign exchange and enabling us to redeem our loans in time, they can provide more accumulated funds for the development of other trades. Thus the same orientation should be maintained hereafter. Other comrades held that because of the limitations by conditions, it has been necessary from the very beginning, and will continue to be so for some time to come that foreign funds should mainly be used on light and textile industries. From a strategic point of view however, foreign funds should also be mainly used on some basic industries including metallurgy and machine building. This will bring into full play the basic industries of large coastal cities, strengthen our self-reliance, and help these cities to contribute to the development of the hinterland as well as the entire national economy. Still other comrades suggested that foreign funds should be used more flexibly and that there should be a system of redeeming foreign loans on a comprehensive basis. Through these flexible methods, an enterprise should make maximum use of the goods with high foreign exchange earning power to redeem its loans. For a company or bureau, or among companies and bureaus, some adjustments should be made for mutual support between those enterprises which have products for export and have no need for foreign funds for the time being and those which have no products for export but want to use foreign funds. If this system can work out, the pace of technical transformation for our existing enterprises will be much faster, and there will be mutual promotion and harmonious development among light and textile industries and the other basic industries.

## 3. The Forms and Results of Foreign Fund Utilization

Since the Third Plenary Session of the 11th Party Central Committee, our municipality has made use of foreign funds in many different forms, such as foreign exchange loans, trust and investment, joint venture, cooperation in production, compensatory trade, and international lease. The majority of the projects which have been completed and commissioned have yielded the expected results. As to which form will be more advantageous to our municipality in future, however, three different views were expressed at the meeting. (1) In joint venture and cooperation in production, we can for a fairly long time and extensively use foreign funds without breaking into our foreign exchange holdings. Furthermore, since the business operation is jointly undertaken by foreigners and ourselves, and both parties are responsible for the profits and losses, the economic interests of both parties are combined. This is advantageous to us in quickly assimilating the imported technology and in learning from the advanced experiences of foreign management. In the future, we should direct our main attention to the development of this form. (2) Despite its strong points, there are also problems with the form of joint venture,

since there is usually a process of complex struggle before we can open our international market and learn from the advanced technology and advanced experience of management. Compensatory trade however will bring about greater economic stability, enable us to enjoy a better credit rating, reduce the burden of our debts and bring into play our strong points. Therefore, this form of business should be developed at present. (3) Every method has its merits as well as shortcomings, and each unit making use of foreign funds should choose the most advantageous method based on its own conditions. For the municipality as a whole, there should be an organic combination of various forms so that they can supplement one another. Of course, we should foster the strong points and steer away from the weaknesses. Therefore, in addition to summing up our experiences in absorbing foreign funds and importing technology in various forms, we should also explore some new and effective forms for future use.

The participants also tentatively studied the methods learned from their experiences in using foreign funds at home and abroad, and later made some suggestions regarding the use of foreign funds and the imports of technology in the municipality. Some of these suggestions were: that the departments concerned in the municipality should further emancipate their minds, enhance their understanding and then cooperate with one another in bringing about a major change in their ideology and work style; that the management structure, rules and regulations should be duly reformed; that a long-range plan be worked out for our municipality to make use of foreign funds in future; that the number of levels approving the projects be reduced and more enterprises be allowed to conduct business negotiations with foreign businessmen; that departments of scientific research, information, and technical consultation be organized and coordinated and the enterprises be helped to carry out feasibility study and to assimilate the imported technology and to transform their equipment; that in addition to taking full advantage of our relevant organs stationed abroad, some new service organs, such as contract consultation company, be set up at home; that a system of work responsibility be set up at various links so as to raise the work efficiency; that the existing forms of management for joint venture enterprises be changed based on the methods of joint venture using Chinese and foreign investment and on the relevant agreement by both parties; and that foreign exchange control be strengthened while active measures be taken at home to raise the supplementary funds.

9411

CSO: 4006/477

## FOREIGN TRADE

### INCREASE IN EXPORTS REPORTED IN FUJIAN

Fuzhou FUJIAN RIBAO in Chinese 21 May 82 p 1

[Article by Information Group of Provincial Foreign Trade Bureau: "Exports in the Province Have Increased Compared With Same Period Last Year"]

[Text] While the crackdown on serious economic crimes is going on, exports in the province have increased during the first 4 months of this year, compared with the same period last year.

Since the beginning of this year, our province has continued to carry out its foreign trade on the basis of a summation of the experiences in implementing special policies and adopting flexible measures. Correction of certain methods which did not conform to state regulations or procedures in exports has helped strengthen the control, close the loopholes, and facilitate the implementation of the unified policy in foreign relations, thus promoting the healthy development of our foreign trade. By the end of April, the volume of goods procured by the foreign trade departments increased by 6.5 percent, and the volume of exports increased by 6.1 percent over the same period last year.

An important factor in the increase of our exports during these 4 months was the increase in the commodities processed from imported materials. By the end of April, the total volume of the 17 main commodities processed from imported materials and exported by the foreign trade departments exceeded that of the same period last year by 54 percent; among them, the volume of textile goods and plastic slippers increased by nearly 2- and 1.55-fold respectively.

Compared with the same period last year, the volumes of various major products exported in the first 4 months of this year have been increased in varying degrees. Those of light industrial products, machinery and mechanical equipment increased from 20 to 50 percent. The makeup of exported goods has changed because of the increase in the export of industrial products. The proportion of light and textile industrial and handicraft products increased from 66.8 percent in the same period last year to 76 percent; that of mechanical and electrical appliances, chemical industrial and mineral products increased from 10.9 percent to 12.8 percent; and that of agricultural sideline products, native products and special products decreased from 22.3 percent to 16.5 percent.

9411

CSO: 4006/467

## FOREIGN TRADE

### FOREIGN FUNDS TO DEVELOP SHENZHEN TOURISM NOTED

Guangzhou NANFANG RIBAO in Chinese 12 May 82 p 1

[Article: "Foreign Funds Totaling HK\$300 Million Absorbed in 10 Days"]

[Text] In 10 days from 20 to 30 April, the Shenzhen Special Economic Zone Development Company signed two contracts with Hong Kong businessmen for the development of tourism and absorbed foreign funds totaling HK\$300 million.

Shenzhen has a beautiful natural environment and a mild climate, with a bright future for tourism. A total of 11 tourist projects were started by foreign businessmen either jointly with the Shenzhen Municipality or independently 3 years ago, with foreign funds totaling HK\$900 million. In late April of this year, the municipality again signed two agreements with foreign businessmen on setting up tourist areas. On 20 April, the Shenzhen Special Economic Zone Development Company and the municipal tourist company signed an agreement with the Huabiao Realty Investment Company of Hong Kong on cooperation in building the Honghu Entertainment and Recreation Service Center in Shenzhen. This tourist spot is located on the bank of the Qingshuihe River in Sungang near the municipality, occupying an area of 540,000 square meters including more than 380,000 square meters of water surface. The project includes the building of guest houses, target shooting ground, race course, floating palaces, pavilions in the lake, Japanese aerial cable cars, sailboats and so forth, with an investment of HK\$200 million. The project is planned to be completed in 3 years. The Huabiao Realty Investment Company of Hong Kong has already dispatched its engineers and technicians to do the surveying and designing jobs. Another agreement was signed on 30 April for the construction of a recreation park in Dapeng Bay. This tourist spot will be built by the Overseas Chinese Tourist Amusement Company of Hong Kong exclusively with its own capital, totaling HK\$100 million. This park will be located at Shuitousha at the seashore of Dapeng Bay, and will include villas, amusement halls, bars, steam-bath houses, yacht clubs, and so forth. It has been decided that construction will formally begin in October of this year.

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CSO: 4006/477

## FOREIGN TRADE

### BRIEFS

GUANGDONG SPECIAL ECONOMIC ZONE--Guangzhou, 19 Jun (XINHUA)--Zhuhai Municipality, Guangdong, has changed a great deal since it started to establish a special economic zone on a tentative basis. This new city on the coast of south China is going in for large-scale construction everywhere. Many new high-rise buildings are being built. Over the past 2 years and more, the city has absorbed 278 foreign investment projects with total amount of investment exceeding \$240 million. Of the new plants built in the city, the woolen textile plant, the knitwear plant, the machinery plant, the garment factory and the electronic plant have started production. The city's foreign exchange incomes last year reached \$34 million. [OW211227 Beijing XINHUA Domestic Service in Chinese 0149 GMT 19 Jun 82]

SHANDONG EXPORT GOODS INCREASE--By the end of June, Shandong Province had overfulfilled the annual export goods procurement plan, an increase of 12.8 percent over that of the corresponding 1981 period and the export commodities fulfilled 42.4 percent of the annual target. Since the beginning of June, the sales of export commodities have continued to increase, showing an increase of 32 percent over that in May. [SK160412 Jinan Shandong Provincial Service in Mandarin 2300 GMT 14 Jul 82]

TIANJIN FARM IMPLEMENTS EXPORT--In the first half of 1982, Tianjin's total export volume of farm implements reached more than \$7 million, setting a record. [SK182352 Tianjin City Service in Mandarin 0030 GMT 17 Jul 82]

GUANGDONG SPECIAL ECONOMIC ZONE--After running a special economic zone on a trial basis, Zhuhai Municipality has greatly changed its outlook. The municipality was a small township in the past with only several old streets and several shops and has now changed into a new city on the coast in the southern part of the country. The municipality is now stepping up construction everywhere to build a new city. On both sides of the new road leading from Xiangzhou, where the municipal government is situated, to Gongbei township, there are bazaars, bank buildings, high-class hotels and houses. As the municipality has formulated some special economic policies and encouraged businessmen from abroad to invest in the establishment of factories in the special economic zone, the vigorous development of industrial and agricultural production, foreign trade and tourism in the municipality has been promoted. [HK240223 Guangzhou Guangdong Provincial Service in Mandarin 2350 GMT 19 Jun 82]

SHANDONG SILK TEXTILE--Shandong silk textile industrial enterprises earned handsome foreign exchange in 1981 and the total amount of foreign exchange increased 22 percent over 1980. The first half of 1982 also saw a big increase in the amount of foreign exchange in exporting silk fabrics to other countries. The quality of export silk fabrics has improved, and the varieties of products have increased. [SK112204 Jinan Shandong Provincial Service in Mandarin 2300 GMT 10 Jul 82]

ETHIOPIAN HIGHWAY PROJECT--Beijing, 3 Jul (XINHUA)--Construction work on a 221-kilometer-long highway has been completed in Ethiopia, according to a report from Addis Ababa. The highway links three agricultural regions in that country. The project was launched in accordance with a bilateral technical cooperation agreement between Ethiopia and China. Ethiopian Minister of Construction Kassa Gebre recently visited the project and had talks with Chinese engineers. He expressed satisfaction over the quality of the construction work. [Text] [Beijing XINHUA in English 1220 GMT 3 Jul 82]

GANSU TOURIST SITE--Dunhuang, 8 Jul (XINHUA)--Construction of a hotel addition is under way and most of the major work on a new airport has been completed in Dunhuang, Gansu Province, a popular destination for visitors from around the world, according to the Dunhuang County Tourist Department. Known as a caravan stop on the old "silk road," Dunhuang, in the north-western part of the province, played an important role in trade and the flow of culture between ancient China, Western Asia and Europe. Upon completion of the new 5-story addition, the Dunhuang Hotel will have 260 beds, up from the present 60 beds. Trial flight at the new airport will begin on 1 August. After the airport officially goes into operation, flights from Lanzhou, capital of Gansu Province, to Dunhuang will take only 3 hours and 45 minutes, instead of a 27-hour trip by train and bus. [OW081045 Beijing XINHUA in English 0253 GMT 8 Jul 82]

CSO: 4020/151

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CSO: 4011/191

# HONG KONG DEVELOPER SETS PLAN FOR SHENZHEN TOWN

HK030220 Hong Kong STANDARD in English 3 Jul 82 Business News p 1

[Text] Hopewell Holdings, a major real estate developer here, has completed the master plan for its \$10 billion new town development project in the Shenzhen Special Economic Zone (SEZ).

Hopewell managing director, Gordon Wu, yesterday said his company would start the first phase of the project, the reconstruction of the Luohu railway station in Shenzhen, by the end of September. Mr Wu said the drafting of the master plan had been completed after 9 months of work and would be submitted to the Guangdong authorities by the end of July. "The Guangdong authorities are expected to approve the plan 1 month later," Mr Wu said.

He disclosed the plan after the signing of a \$600 million loan facility provided for Hopewell by a syndicate of 24 banks. Half of the money would be used to finance part of the new town project.

The project, disclosed last October, calls for Hopewell to improve the infrastructure on a 33-square kilometre site in Futian and to erect some other buildings there for the Guangdong authorities. If things go well, Hopewell will also have the right to lease the site to other developers for property developments. Gordon Wu said a new and efficient Luohu railway station would be vital to the success of the Futian new town, although the station is about 7 kilometres away. "The new railway station enables a more convenient passenger transit on the Hong Kong-Shenzhen border," said Mr Wu.

The new town would be linked to the railway station by a 7- to 8-kilometre-long light railway system and a highway.

"The design of the light rail system will be similar to those in Europe. Most parts of the system will be in the open air, but it will go underground when it crosses the highway," said Mr Wu, adding that in future all residents of the new town can reach a light rail station within 12 minutes on foot.



He pointed out that the most serious problem facing the new town project was the lack of telephones. "We hope to have 20 to 30 telephones per 100 residents in Futian, but under the planning of Shenzhen authorities there will be only 2,000 for the whole SEZ," said Mr Wu, adding that the future population of Futian would be 300,000.

According to some sources, Shenzhen will be developed into a city with a population of one million by the year 2000 from the present 80,000.

Mr Wu said Shenzhen authorities had no plan to install more telephone lines, but refused to let Hopewell carry out the installation, adding that his company was negotiating with Beijing's high-ranking officials on the matter.

The \$600 million loan facility is divided into two branches. The first is for various Hopewell projects, mainly in China including the new town project, and a highway system linking Hong Kong, Guangzhou and Macau.

However, Mr Wu said it would take quite a long time before the highway project could be realised because the construction involves more than 300 brigades.

Interest for the loan facility is set at 1.125 percent over the Hong Kong Interbank offered rate. Lead managers are Paribas Asia, Dresdner Bank Hong Kong branch, Bank of Tokyo and Chartered Bank. The commitment fee is 0.25 percent.

CSO: 4020/152

# TAIWAN POWERLESS OVER RE-EXPORTS TO MAINLAND

OW140557 Taipei CHINA POST in English 10 Jul 82 p 10

[Text] Taipei (CENS)--The Nationalist Chinese Government Wednesday said it has no control over whether Taiwan goods are shipped to mainland China via a third country, but reemphasized its policy of no direct trade links with the rival communists.

Answering a question by legislator Lin Yu-sian, the government also said it would constantly remind Taiwan manufacturers of the re-export problem "so that they don't fall into the communists' reunification trap." Lin called for the government to find ways to stop re-export of semi-processed products and electrical appliances to mainland China through Hong Kong and Japan.

The government said it is closely watching the development of (Red) China's light industries, and has taken measures to ask Taiwan manufacturers to tighten quality control of their products to "increase their ability to compete in export markets."

Economic officials had said semi-processed Taiwan products are being processed in (Red) China and sold to other countries to hurt Taiwan's export market.

The Board of Foreign Trade last year issued repeated warnings to manufacturers against selling their products to mainland China via a third country. But indirect trade between the two rivals reportedly appears to be booming.

Total (Red) China-Taiwan trade through middlemen in Hong Kong, Japan and Southeast Asian nations, were earlier estimated at about U.S.\$300 million, in 1980.

Hong Kong's Trade Development Council had reported that re-exported items included textiles, television tubes, television sets, synthetic fibers, electrical fans and radios.

CSO: 4020/153

## TAIPEI PAPER ON JAPANESE MISSION TO TAIWAN

OW110955 Taipei CHING CHI JIH PAO in Chinese 2 Jul 82 p 3

[Article by CHING CHI JIH PAO special correspondent Huang Yao-cheng in Japan: "The Meaning and Effect of the Esaki Mission's Visit to China"]

[Excerpts] Japan's Liberal-Democratic Party [LDP] will dispatch a so-called Esaki mission headed by Masumi Esaki, head of the LDP Special Committee on External Economic Relations, to visit the Republic of China, as well as Thailand, Singapore, the Philippines, Indonesia, Malaysia and Hong Kong, beginning 20 July to discuss the imbalance of trade between China and Japan and trade friction between Japan and individual Southeast Asian countries.

### The Upcoming Visit to China Is of Great Significance

The Japanese mission's visit to the Republic of China, the first since the severance of official relations, is not only of great significance, but also indicates that the upper echelon of the LDP has a deeper understanding of the huge deficit in the Republic of China's trade with Japan.

Last spring Masumi Esaki headed a mission on two separate visits to the United States and to major EEC countries and discussed with them measures to open Japan's market and promote imports of foreign goods to Japan in a bid to hinder the growth of protectionism in these countries.

As an emerging industrial country, the Republic of China's economic and trade relations with Japan are characterized by imports of industrial equipment from Japan and exports of manufactured goods to other countries. Therefore, to reduce the trade deficit with Japan, we should emphasize, not a decrease in imports, but an increase in exports to Japan.

### The EEC's Method Can Be Used for Our Reference

Therefore, when the Esaki mission visits China, we should discuss with them not only the trade problem in a narrow sense, but also expand the discussion to imports of technical know-how in order to improve our country's industrial structure and achieve a higher degree of industrialization, thus gradually getting rid of the present trade deficit. The suggestion made by the European countries to Japan gives us some useful reference in negotiating with Japan.

CSO: 4006/556

TAIWAN ECONOMICS MINISTER ON TRADE WITH JAPAN

OW100402 Taipei CNA in English 0242 GMT 10 Jul 82

[Text] Taipei, 10 Jul (CNA)--Minister of Economic Affairs Chao Yao-tung hinted Friday that the government may lift the import ban on some 1,500 items of Japanese consumer goods by the end of this month, if the Japanese express their sincerity in the coming negotiations with the Republic of China [ROC] by helping close the growing trade deficit between the two countries.

Chao, who is noted for his calling a spade a spade, said in a press conference Friday, "As long as a friendly attitude is seen (on the Japanese side), there will be a corresponding reaction (on the ROC side)." He was referring to a talk scheduled for later this month between the ROC Government and a Japanese mission to be led by Masumi Esaki, former international trade and industry minister and currently chairman of the International Economic Relations Committee under the ruling Liberal Democratic Party.

Chao said he welcomes Esaki's visit "with my heart and soul." Nevertheless, the minister, who in February ordered an abrupt ban on 1,533 items of Japanese goods, emphasized he knows very well that it's impossible for the two countries to figure out an immediate solution to redress the enormous trade gap.

Chao pointed out that the Republic of China's trade deficit with Japan in the first half of this year decreased from the same period in 1981, but he commented that this is not an agreeable situation.

The decrease, mainly due to a drop in imports from Japan, accounted for the decreasing willingness of the domestic manufacturers to invest in Japanese capital goods, he said.

"Not that I like to see a drop in imports from Japan; on the contrary, I'm hoping for them to be everincreasing," Chao said. "But the point is I long for many more dollars worth of ROC exports going there."

CSO: 4020/153

#### BRIEFS

TRADE FIGURES SHOW DECLINE--Taipei, 10 Jul (CNA)--The nation's two-way trade in the first 6 months this year chalked up U.S.\$20,565 million, showing a decline of 6.9 percent compared with the corresponding period of the previous year. the Directorate General of Budget, Accounting and Statistics reported Friday. Referring to customs statistics, the report indicated that despite the decline in trade volume, there remained a surplus of U.S.\$1,140 million accumulated in the first half of this year in favor of this country. Exports in the half year amounted to U.S.\$10,852 million, up 0.4 percent against imports of U.S.\$9,712 million, down 13.9 percent, the report said. In June alone, exports totaled U.S.\$1,873 million against imports of U.S.\$1,467 million, resulting in a trade surplus of U.S.\$406 million in favor of this country. Export items in the period included agricultural and fishery products, transportation equipment, rubber products, and canned asparagus. All these items recorded a decline in the period, but items, such as toys, sporting goods, steel, household electrical appliances and cement reported a sizable growth. [Text] [OW100404 Taipei CNA in English 0300 GMT 10 Jul 82]

CSO: 4020/153

Construction

AUTHOR: None

ORG: None

TITLE: "Correct Estimate of Theoretical Price of Construction Products--  
Excerpt of a Speech of CHENG Xitong [4453 1585 0681] at the National Symposium  
of Theoretical Price of Construction Products"

SOURCE: Beijing JIANZHU JINGJI YANJIU [RESEARCH IN THE ECONOMICS OF BUILDING]  
in Chinese No 3, 15 Jun 82 pp 2-5

ABSTRACT: The speech was delivered at the symposium on its 7th day [the date  
location of the symposium are not given]. Discussions centered upon the  
work of estimating the theoretical price of buildings or construction products  
which, the delegates maintained, the State Council Price Research Center should  
include as one of the 6 categories of products for which theoretical price  
estimates are necessary. Following an introduction of the need for learning  
theoretical price estimate on the basis of Marxism, the speaker discussed the  
following: (1) The bases of disagreement regarding the price of construction  
products and the principles on which the price of a product should be deter-  
mined; (2) Reasonable bases on which to calculate the price of a construction  
product; (3) Problems regarding the method of calculation; (4) Management sys-  
tem and policy factors with respect to the price of construction products and  
elements of unreasonableness in the current system and policy. The speaker's  
opinions concerning the work of formulating and adjusting the theoretic pric-  
ing system of construction products are briefly outlined.

AUTHOR: WANG Changyou [3769 7022 6788]

ORG: None

TITLE: "Preliminary Inquiry Into the Price of Construction Products"

SOURCE: Beijing JIANZHU JINGJI YANJIU [RESEARCH IN THE ECONOMICS OF BUILDING]  
in Chinese No 3, 15 Jun 82 pp 6-11

ABSTRACT: Just as the price of any other product, the price of construction  
products express their value, W, which is composed of the 3 parts of the la-  
bor and materials consumed and the value of the target of the labor transfer,  
C, the necessary labor of workers, V, and the surplus labor contributed to the  
State by the workers, m. At present, the price of a construction product is  
basically formulated by the cost and a profit ratio. It appears that the ra-  
tio of the materials in the value of a construction product is rather high.  
These materials represent, in fact, a value transferred from the department of  
construction materials and it is obviously unreasonable to allow these materi-  
als to participate, once again, in the distribution of the surplus labor. This  
paper analyzes the 3 constituent parts, C, V, and m, of W for the purpose of  
explaining the unreasonableness of the current pricing system of construction  
products.

6248

CSO: 4006/166

Economic Problems

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ORG: LIN of Xiamen University; LIN of Fujian Provincial Research Institute  
of Social Sciences

TITLE: "The Problem of Utilization of Overseas Chinese Capital From the View-  
point of the Historical Characteristics of Overseas Chinese Investment in  
Fujian Province"

SOURCE: Xiamen ZHONGGUO JINGJI WENTI [ECONOMIC PROBLEMS OF CHINA] in Chinese  
No 3, 20 May 82 pp 26-28, 51

ABSTRACT: The Central Government has approved the special policy and the flexible measure practiced in Fujian and Guangdong in dealing with overseas Chinese investments. A new future has thus been opened for the utilization of overseas Chinese capital for the acceleration of economic construction in Fujian. A very small ratio of overseas Chinese are capitalists, however. According to a statistical survey of 1955, 65 percent are workers, 20 percent independent workers, 10 percent small merchants, 2 percent professionals, and only 2.23 percent industrialists and merchants. In Fujian, overseas Chinese investment began in the 1870's to reach a peak in 1927-37. The total reached 7 billion yuan, amounting to half of the total capital investment in the province before the liberation. The targets of the investment covered all sectors of the economy but most of the sum was in real estate, including both land and buildings. The goal and motive were chiefly profit, with an undeniable desire of establishing roots in their native land. The historical, economical, and psychological

[continuation of ZHONGGUO JINGJI WENTI No 3, 1982 pp 26-28, 51]

factors of overseas Chinese investment in Fujian are examined for the purpose of formulating correct policies and measures to attract and utilize overseas Chinese capital to be utilized for the development of advanced technology and equipment for reaping fast economic benefits of the province.

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WU Shenfang [0702 3234 2455]  
LIN Siqi [2651 1835 7871]

ORG: All of Fujian Provincial People's Bank

TITLE: "Realm of Activity in the Work of Encouraging Savings"

SOURCE: Xiamen ZHONGGUO JINGJI WENTI [ECONOMIC PROBLEMS OF CHINA] in Chinese  
No 3, 20 May 82 pp 29-33

ABSTRACT: Karl Marx said: "From the beginning to the end, the most important thing about banks is the deposit." The work of enlarging the deposit and encouraging savings are; therefore, a specially important realm of activity of banks. According to statistical data, 23.47 percent of the sources of loans of banks in 1980 are savings deposits in the entire country; in Fujian, they amount to 25.2 percent. In the past 2 years, the average annual growth of savings has been 63 hundred million yuan nationwide and 1.74 hundred million in Fujian. Based upon the total currency receipts and expenditures of the people and the growth of remittance from overseas Chinese who number as many as 5 million Fujian natives, a sustained annual increase of savings deposits is entirely possible. The paper suggests the following bank activities to encourage the flow of savings deposits: (1) Continuously inspire the political passion of the masses for supporting the 4 modernizations; (2) Using the interest rate as the leve. to provide reasonable economic benefits to the masses; (3) Keeping the deposits a secret to provide the masses a feeling of security

[continuation of ZHONGGUO JINGJI WENTI No 3, 1982 pp 29-33]

and to protect their lawful rights and interests; (4) Resolving any problems of location, time, and attitude of banks being an agency to serve the masses; (5) Establishing different forms of savings accounts to meet the special needs and conditions of the masses. Ways of combining consumer lending and savings deposit for the purpose of promoting production, adjusting supply and demand, and developing sources of wealth are also discussed in some detail.

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CSO: 4011/163



Textile Engineering

AUTHOR: HAN Zuyue [7281 4371 5069]

ORG: Suzhou Special Industrial School

TITLE: "The Theory and Its Application to the Structure of Ply Yarn"

SOURCE: Shanghai FANGZHI XUEBAO [JOURNAL OF CHINA TEXTILE ENGINEERING ASSOCIATION]  
in Chinese No 4, Apr 82 pp 3-10

TEXT OF ENGLISH ABSTRACT: A comprehensive approach is made in this paper to the ply yarn structure and properties from the point of view of twist-width theory. Based on the study of the inclination of fibers by means of twist-width, the method of investigating fiber deformation has thus been established. The calculated twist multipliers for various properties of ply yarns are approximately the same as those in production practice.

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LI Guoxian [7812 0948 6343]  
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et al.

ORG: All of the Shanghai Special Textile Industry School

TITLE: "The Analysis of Rapier Drive in Type H213 Flexible Loom"

SOURCE: Shanghai FANGZHI XUEBAO [JOURNAL OF CHINA TEXTILE ENGINEERING ASSOCIATION]  
in Chinese No 4, Apr 82 pp 11-18

TEXT OF ENGLISH ABSTRACT: This paper deals with the kinematical analysis of rapier drive in the type H213 flexible-rapier loom. The author translates it into 4-bar and 5-bar linkages, derives the mathematical models relating to these linkages, and calculates the s.v.a. of the rapier by means of a computer. In addition, discussion is made of the influence of the main size parameters of the existing rapier drive. A description of the advantages and disadvantages of this mechanism is given at the end of the paper.

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TITLE: "The Calculation of Conjugation Cam Profile"

SOURCE: Shanghai FANGZHI XUEBAO [JOURNAL OF CHINA TEXTILE ENGINEERING ASSOCIATION]  
in Chinese No 4, Apr 82 pp 19-26

TEXT OF ENGLISH ABSTRACT: This paper deals with the calculation of the profile for different types of conjugate cams, their association and accurate calculation formulas of the main cam and complementary cam.

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TITLE: "Research on Package Shape in Weft Winding"

SOURCE: Shanghai FANGZHI XUEBAO [JOURNAL OF CHINA TEXTILE ENGINEERING ASSOCIATION]  
in Chinese No 6, Jun 82 pp 3-8

TEXT OF ENGLISH ABSTRACT: In this paper the package shape of weft winding is analyzed and parametric equations, suitable for three types of common empty pirns for forming an ideal package, are put forward, i.e.,

$H = \frac{R-R_1}{\operatorname{tg}\alpha}$  for tapered bobbin, with the weft wound around in a constant transverse;

$H = A$  or  $H = \frac{R-R_1}{\operatorname{tg}\alpha}$  for pirns with a fully-built base with the weft wound around in a constant range, too; and for pirns with a half-built base the weft is wound around in a variable range, first  $H_x = A(1 + \frac{R_x-R_2}{R_2-R_1})$  and then  $H = A(1 + \frac{R+R_2}{R_2-R_1})$  is used. The theoretical analysis described in the paper was verified by experiments. The conclusion and some suggestions are given as follows:

[Continuation of FANGZHI XUEBAO No 6, Jun 82 pp 3-8]

1. In the pirn winder of constant traverse, with a fully-built pirn base and provided that  $H=A$ , an ideal package will be completed with  $R=R_2$ . If the pirn with a half-built base of  $R_2 < R$  is used, the ideal package will not be formed even with  $H=A$ . For this reason, the authors are of the opinion that the pirn with a half-built base should be replaced by a pirn with a fully-built base step by step. The bottom end diameter of the former is smaller than that of the weft package, while for the latter the diameter is equal to that of the weft package and the cone height is equal to the traverse length.

2. Experimental comparison as well as theoretical analysis shows that the package of the pirn wound with a fully-built base has such advantages as ideal build, more weft yarn wound, less unwinding tension, and less difference of tension between top end and bottom end, etc. Therefore, better economic results can be expected.

3. It is promising that the pirn with a fully-built base can be applied in pirn-changing looms.

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TITLE: "Analysis of Good Section Build on Sectional Warper"

SOURCE: Shanghai FANGZHI XUEBAO [JOURNAL OF CHINA TEXTILE ENGINEERING ASSOCIATION]  
in Chinese No 6, Jun 82 pp 9-14

TEXT OF ENGLISH ABSTRACT: In this paper the requirements for good section build are discussed in detail. This paper gives the adjustable magnitudes of the traverse rate and the incline angle of type 121 sectional warper, shows an inter-section chart used for the warping of terry fabric and illustrates the application of this chart by a practical example.

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TITLE: "Design and Analysis of Steadily-flowing Suction Duct"

SOURCE: Shanghai FANGZHI XUEBAO [JOURNAL OF CHINA TEXTILE ENGINEERING ASSOCIATION]  
in Chinese No 6, Jun 82 pp 15-18

TEXT OF ENGLISH ABSTRACT: This paper deals with the design and analysis of the steadily-flowing suction duct used in practice. The application of Bernoulli's equation has been made to it. The conversion of velocity pressure into static pressure has been taken into consideration. Thus, formulas have been derived for calculating the static pressure at each joint of a straight suction duct consisting of a series of short divergent sections for steady flow. The conclusions arrived at are as follows:

1. For a straight gradually-diverging suction duct with individual sections sucking up air at the same speed, the design can be made on the basis of the conservation principle of static pressure instead of the total pressure equilibrium principle due to the fact that the static pressure equilibrium, the total pressure equilibrium and the resistance equilibrium at the junction are identical.
2. For the three kinds of velocities (higher, lower and equal resulting from the

[Continuation of FANGZHI XUEBAO No 6, Jun 82 pp 15-18]

comparison of the draught speed at the end of the duct with that at the three-way connection of the leading section), the main factors affecting the even suction of the run are the ratio  $i_f/F_i$ , angle  $\alpha$ , and the number of suction points.

3. As far as the three kinds of velocities are concerned, the speed-increasing duct will be advantageous to the uniform air suction, and furthermore, the duct size can be smaller.

4. The uniformity of air suction depends upon whether the design made conforms to the standard specifications.

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CSO: 4011/162

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TITLE: "Theory and Practice of Planning and Market in Yugoslavia"

SOURCE: Beijing SHIJIE JINGJI [WORLD ECONOMY] in Chinese No 4, 10 Apr 82 pp 63-69

ABSTRACT: The problem of the relationship between planning and market is an extremely complex one. Theoretically, economists in Yugoslavia had some disagreements before the 70's. Since then, the viewpoints tend to be uniform and some experiences have also been accumulated in practice. For a long time, just as theorists in all socialist countries, some economists in that country had regarded the market as contrary to socialism and planning and market as mutually exclusive. Due to the fact that many socialist countries cannot shake themselves from the state of underdevelopment, the attitude of equating planning versus market with socialism versus capitalism has changed gradually. The 3 stages of evolution in the history of the planning system in Yugoslavia are introduced. The author maintains that the present system in that country remains imperfect, especially in so far as certain laws, policies, and regulations are not entirely implemented in practice, and the disharmonious economic

[continuation of SHIJIE JINGJI No 4, 1982 pp 63-69]

structure, the excessively long capital reimbursement period, inflation, and foreign trade deficits are part of the results. The bedrock of that country's theoretical system is the theory of national survival, i.e. the first job of a country is her ability of managing her economy; if she is unable she will begin to extinguish. Under such a theory, the nation dares not to interfere, lest she will encounter the criticism of destroying the workers' right of autonomy. Consequently, the level of individual consumption has risen very rapidly while the rate of savings of the workers' organization drops. The major source of investment capital is not the income of the wealth created by the society; it depends mainly on foreign loans. There are too many items of basic construction and permanent deficiency of capital. The author maintains that the direction of reform of Yugoslavia's economic system and planning system is nevertheless correct, but the pace has been too fast. The status of the workers as the owners does not guarantee them to possess the thoughts of owners. Before the material wealth has been abundantly accumulated some residual thoughts of being the hiring is unavoidable. The state must preserve some authority [in managing the economy] especially in the work of adjusting the macroeconomic aspects of the country.

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TITLE: "Why the 11th 5-Year Plan of the Soviet Union May Fail?"

SOURCE: Beijing SHIJIE JINGJI [WORLD ECONOMY] in Chinese No 4, 10 Apr 82  
pp 70-74

ABSTRACT: The 11th 5-year plan of the USSR was formulated under the background condition of serious economic difficulties. Historically, the economy of the USSR reached its peak during the 5th 5-year plan, gaining an average annual increase of above 10 percent in the national income and the total value of industrial products. Since then, there has been an obvious tendency of decline in the rate of growth of the major indices of the national economy. Starting with the 9th, all indices have been slashed but even the relaxed indices have not been fulfilled. The phenomenon of proportional disharmony in the USSR economy is very serious. Many necessary consumer products are constantly deficient and the needs of the people are not met even with large quantities of foreign imports. The backward agriculture cannot support a development of food industry and the supply of many foods is always insufficient. The goals of the 11th 5-year plan will fail again because: (1) All the problems piled up during the 10th 5-year plan and before cannot be resolved by the 11th, no matter how

[continuation of SHIJIE JINGJI No 4, 1982 pp 70-74]

strong is the desire, primarily due to the conservative attitude of the officialdom of that country. (2) The policy of thrift is difficult to implement. Her agriculture cannot for a long time provide a surplus of labor force; old mines are being exhausted; and the cost of mining energy is rapidly rising. The extreme difficulty of increasing the quantity of manpower, raw materials, and fuel in the USSR is demonstrated by the very proposal of thrift in the 11th 5-year plan. (3) It is difficult to maintain the policy of emphasizing the production of consumer goods. The insistence upon the theory of the necessity of light industry to have a heavy industry as its foundation contradicts the pronounced preference of improving the supply of foods and industrial consumer goods. The paper predicts that in the process of implementing the 11th 5-year plan, the USSR will stumble into the old rut of the 9th 5-year plan of a renewed preference for the heavy industry.

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CSO: 4011/165

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